

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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| REQUEST FOR CONFIDENTIAL TREATMENT OF |) | |
| INFORMATION FILED WITH SOUTH CENTRAL |) | CASE NO. 93-355 |
| BELL'S PROPOSED CONTRACT ARRANGEMENT |) | |
| FOR DIGITAL GENERATION SYSTEMS |) | |

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company ("South Central Bell"), filed September 22, 1993 pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with a special service arrangement for Digital Generation Systems for four-wire AccuPulse* service on the grounds that disclosure of the information is likely to cause South Central Bell competitive injury, and it appearing to this Commission as follows:

South Central Bell has contracted with Digital Generation Systems for the provision of four-wire AccuPulse* service. AccuPulse* is currently offered under South Central Bell's tariff only on two-wire access lines. In support of its application, South Central Bell has provided cost data which it seeks to protect as confidential.

The information sought to be protected is not known outside South Central Bell and is not disseminated within South Central Bell except to those employees who have a legitimate business need to know and act upon the information. South Central Bell seeks to

preserve and protect the confidentiality of the information through all appropriate means.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That section of the statute exempts 11 categories of information. One category exempted in subparagraph (c) of that section is commercial information confidentially disclosed to the Commission. To qualify for that exemption, it must be established that disclosure of the information is likely to cause substantial competitive harm to the party from whom the information was obtained. To satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.


AccuPulse* Service is an alternative to dedicated private line networks and utilizes the exchange switching network. South Central Bell's competitors for private line networks are providers of microwave service, digital radio, and fiber networks. Disclosure of the cost information would allow such competitors to determine South Central Bell's cost and contribution from the service which they could use in marketing their competing service to the detriment of South Central Bell. Therefore, disclosure of the information is likely to cause South Central Bell competitive injury and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

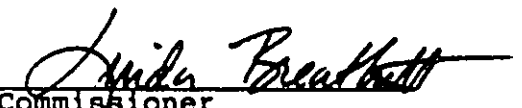
IT IS ORDERED that the cost and support data developed by South Central Bell in connection with the special service arrangement contract with Digital Generation Systems, which South Central Bell has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 4th day of November, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director